

HOUSING AUTHORITY OF WINNSBORO

**REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED SEPTEMBER 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-14-07

Mike Estes, P.C.
A Professional Accounting Corporation

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Independent Auditor's Report

Board of Commissioners
Housing Authority of Winnsboro
Winnsboro, Louisiana

We have audited the accompanying financial statements of the major fund of the Housing Authority of Winnsboro, Louisiana as of and for the year ended September 30, 2006, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of Winnsboro, Louisiana's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of the Housing Authority of Winnsboro, Louisiana, as of September 30, 2006, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2007, on our consideration of the Housing Authority of Winnsboro, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Winnsboro, Louisiana's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Housing Authority of Winnsboro, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying Financial Data Schedules required by HUD and other accompanying information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mike Estes, P.C.
Fort Worth, Texas
January 31, 2007

HOUSING AUTHORITY OF WINNSBORO, LOUISIANA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

SEPTEMBER 30, 2006

Housing Authority of Winnsboro, Louisiana
Management's Discussion and Analysis (MD&A)
SEPTEMBER 30, 2006

The management of Public Housing Authority of Winnsboro, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2006. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,867,980 at the close of the fiscal year ended 2006.
 - ✓ Of this amount \$1,538,459 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
 - ✓ The remainder of \$329,521 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 32% of the total operating expenses of \$1,017,783 for the fiscal year 2006, which means the Authority might be able to operate about 3.8 months using the unrestricted assets alone, which compares unfavorably with 4.9 months in the prior fiscal year.
- The Housing Authority's total net assets increased by \$69,429, a 3% change from the prior fiscal year 2005. This increase is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- The increase in net assets of these funds was accompanied by a decrease in cash and cash equivalents by \$182,561 from fiscal year 2005, in large part because investments increased by \$123,693.
- The Authority's capital assets increased by \$285,700.
- These changes led to an increase in total assets by \$86,522 and an increase in total liabilities by \$17,093. As related measure of financial health, there are still over \$4.71 of current assets covering each dollar of total current and long-term liabilities, which compares unfavorably with \$6.71 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2006?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

- Low Rent Public Housing
- Public Housing Capital Fund Program

Housing Authority of Winnsboro, Louisiana
Management's Discussion and Analysis (MD&A)
SEPTEMBER 30, 2006

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net assets, is an important financial indicator.

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$1,867,980 as of September 30, 2006. Of this amount, \$1,538,459 was invested in capital assets, and the remaining \$329,521 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general Net Assets.

CONDENSED FINANCIAL STATEMENTS

Condensed Balance Sheet As of September 30,			<u>2006</u>	<u>2005</u>
ASSETS				
Current assets			\$ 418,306	\$ 481,215
Capital assets, net of depreciation			<u>1,538,459</u>	<u>1,389,028</u>
Total assets			<u>1,956,765</u>	<u>1,870,243</u>
LIABILITIES				
Current liabilities			<u>45,658</u>	<u>31,698</u>
Non-current liabilities			<u>43,127</u>	<u>39,994</u>
Total liabilities			<u>88,785</u>	<u>71,692</u>
NET ASSETS				
Invested in capital assets, net of depreciation			1,538,459	1,389,028
Unrestricted net assets			<u>329,521</u>	<u>409,523</u>
Total net assets			<u>1,867,980</u>	<u>1,798,551</u>
Total liabilities and net assets			<u>1,956,765</u>	<u>1,870,243</u>

Housing Authority of Winnsboro, Louisiana
Management's Discussion and Analysis (MD&A)
SEPTEMBER 30, 2006

CONDENSED FINANCIAL STATEMENTS (Continued)

The net assets of these funds increased by \$69,429, or by 3%, from those of fiscal year 2005, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets
Fiscal Year Ended September 30,**

	2006	2005
OPERATING REVENUES		
Dwelling rental	\$ 305,992	\$ 293,864
Other	126,802	105,076
Total Operating Revenues	<u>432,794</u>	<u>398,940</u>
OPERATING EXPENSES		
Administration	178,136	177,751
Tenant services	48,813	45,013
Utilities	271,913	249,130
Ordinary maintenance & operations	264,269	296,140
General expenses	83,852	70,409
Depreciation	166,407	149,644
Casualty losses – non capitalized	4,393	0
Total Operating Expenses	<u>1,017,783</u>	<u>988,087</u>
Income (loss) from Operations	<u>(584,989)</u>	<u>(589,147)</u>
Non Operating Revenues (Expenses)		
Interest earnings	12,995	5,734
Federal grants	344,876	400,098
Loss on disposal of assets	(107)	0
Waived PILOT	0	11,656
Total Non-Operating Revenues (Expenses)	<u>357,764</u>	<u>417,488</u>
Income (loss) before contribution	<u>(227,225)</u>	<u>(171,659)</u>
Capital Contribution	<u>296,654</u>	<u>119,500</u>
Change in net assets	<u>69,429</u>	<u>(52,159)</u>
Total net assets - beginning	<u>1,798,551</u>	<u>1,850,710</u>
Total net assets - ending	<u>\$ 1,867,980</u>	<u>\$ 1,798,551</u>

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating, non-operating revenues, and capital grants increased \$151,391, or by 16%, from a combination of larger offsetting factors. Reasons for most of this change are listed below in order of impact from greatest to least:

- Federal Capital Funds from HUD increased by \$177,154, or by 148% from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2004 through 2006, and submitted a new grant during fiscal year 2007.
- Total tenant revenue increased by \$15,279, or by 4% from that of the prior fiscal year, due to two major factors: Tenant rental revenues increased by \$12,128, or by 4%, and because the amount of rent each tenant pays is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total. Finally, other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) increased by \$3,151, or by 3%.
- Interest income increased by \$7,261, or by 127% from that of the prior fiscal year, because unrestricted interest income increased by \$7,261, or by 127%.
- Federal revenues from HUD for operations decreased by \$55,222, or by 14% from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was a decrease in the number of eligible tenants receiving subsidies, so Housing Assistance Grants decreased accordingly, lowering the overall total.

Compared with the prior fiscal year, total operating expenses increased \$29,696, or by 4%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below in order of impact from greatest to least:

- Utilities Expense increased by \$22,783, or by 9% from that of the prior fiscal year, because water cost decreased by \$473 and a decrease in rate by 1%, primarily because electricity cost increased by \$21,053 and an increase in rate by 20% and gas cost increased by \$2,503 and an increase in rate by 3%. Finally, other utilities expense (such as garbage, sewage, and waste removal) decreased by \$300, or by 1%.
- Depreciation expense increased by \$16,763, or by 11% from that of the prior fiscal year, because there was a net increase in capital assets of \$295,700.
- General Expenses increased by \$13,443 or by 19% from that of the prior fiscal year, primarily because insurance premiums increased by \$12,650, or by 23%. Also, payments in lieu of taxes (PILOT) decreased by \$751, or by 6%. PILOT is calculated as a percentage of rent (which increased by 4%) minus utilities (which increased 9%), and therefore changed proportionately to the changes in each of these. Uncollectible rents from vacated units increased by \$1,544, or by 249%, because these changed roughly proportional to rent, which increased by 4%.

Housing Authority of Winnsboro, Louisiana
 Management's Discussion and Analysis (MD&A)
 SEPTEMBER 30, 2006

- Tenant Services increased by \$3,800, or by 8% from that of the prior fiscal year, due to a combination of factors: staff salaries increased by \$1,440, or by 4%, and related employee benefit contributions decreased by \$572, or by 7%. Relocation costs increased by \$2,663, or by 62%. Other tenant services increased by \$269.
- Administrative Expenses increased by \$385 or by 1% from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries increased by \$4,837, or by 4%, but staff vacation and sick leave pay decreased by \$6,950, or by 72%, and related employee benefit contributions decreased by \$1,963, or by 7%; therefore, total staff salaries and benefit costs decreased by 3%. In addition, audit fees increased by \$1,000, or by 14%, accounting fees increased by \$4,020; thus, total outside professional fees increased by 68%. Finally, staff travel reimbursements increased by \$1,830, but sundry expenses decreased by \$1,392, or by 6%; therefore, other staff administrative expense increased by 2%.
- Maintenance and repairs decreased by \$31,871, or by 9% from that of the prior fiscal year, due to two major factors: Repair staff wages increased by \$6,068, or by 4%, and related employee benefit contributions decreased by \$2,434, or by 7%. Also, materials used decreased by \$2,945, or by 10%, and contract labor costs decreased by \$26,577, or by 28%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2006, the Housing Authority had a total cost of \$5,815,574 invested in a broad range of assets and construction in progress listed below. This amount, not including depreciation, represents a net increase of \$285,700 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Capital Assets, Net of Accumulated Depreciation
 As of September 30,**

	<u>2006</u>	<u>2005</u>
Land	\$ 300,657	\$ 300,657
Construction in progress	0	11,123
Buildings and improvements	1,149,815	984,811
Furniture and equipment	<u>87,987</u>	<u>92,437</u>
Total	<u>1,538,459</u>	<u>1,389,028</u>

As of the end of the 2006 fiscal year, the Authority is still in the process of completing HUD grants of \$440,986 obtained for the 2005 and 2006 fiscal years. A total remainder of \$259,183 will be received and \$257,057 will be spent for completing these projects during fiscal year 2007.

Debt

Non-current liabilities also include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2007 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Don Southern, at Public Housing Authority of Winnsboro, Louisiana; P. O. Box 267; Winnsboro, La 71295.

HOUSING AUTHORITY OF WINNSBORO
ENTERPRISE FUNDS - BALANCE SHEET
SEPTEMBER 30, 2006

	General
ASSETS	
Current assets	
Cash and cash equivalents	\$ 4,729
Investments	372,955
Accounts receivable net	2,126
Prepaid items and other assets	21,318
Inventory	2,777
Restricted assets – cash and cash equivalents	14,401
Total Current Assets	<u>418,306</u>
Capital Assets, net	
Land	300,657
Buildings, and equipment (net)	1,237,802
Total Capital Assets, net	<u>1,538,459</u>
Total Assets	<u>\$ 1,956,765</u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 19,974
Compensated absences payable	7,925
Accrued PILOT	3,358
Deposits due others	14,401
Total Current Liabilities	<u>45,658</u>
Noncurrent Liabilities	
Compensated absences payable	43,127
Total Liabilities	<u>88,785</u>
NET ASSETS	
Invested in capital assets, net of related debt	1,538,459
Unrestricted	329,521
Net Assets	<u>1,867,980</u>
Total Liabilities and Net Assets	<u>\$ 1,956,765</u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF WINNSBORO
 ENTERPRISE FUNDS – STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN FUND NET ASSETS
 YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>
OPERATING REVENUES	
Dwelling rental	\$ 305,992
Other	126,802
Total Operating Revenues	<u>432,794</u>
OPERATING EXPENSES	
Administration	178,136
Tenant services	48,813
Utilities	271,913
Ordinary maintenance & operations	264,269
General expenses	83,852
Depreciation	166,407
Extraordinary maintenance	4,393
Total Operating Expenses	<u>1,017,783</u>
Income (loss) from Operations	<u>(584,989)</u>
Non Operating Revenues (Expenses)	
Interest earnings	12,995
Federal grants	344,876
Loss on disposal of assets	(107)
Total Non-Operating Revenues (Expenses)	<u>357,764</u>
Income (loss) before contribution	<u>(227,225)</u>
Capital Contribution	<u>296,654</u>
Change in net assets	<u>69,429</u>
Total net assets - beginning	<u>1,798,551</u>
Total net assets - ending	<u>\$ 1,867,980</u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF WINNSBORO
ENTERPRISE FUNDS – STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>
CASH FLOWS FROM	
OPERATING ACTIVITIES	
Rental receipts	\$ 305,992
Other receipts	126,182
Payments to vendors	(474,536)
Payments to employees – net	(359,735)
Net cash provided (used) by operating activities	(402,097)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Federal grants	348,905
Net cash provided (used) by non-capital financing activities	348,905
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(315,945)
Federal Capital Grants	296,654
Net cash provided (used) by capital and related financing activities	(19,291)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	12,995
Purchase of investments	(9,023)
Net cash provided (used) by investing activities	3,972
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(68,511)
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	87,641
CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ <u>19,130</u>

Continued

HOUSING AUTHORITY OF WINNSBORO
 ENTERPRISE FUNDS – STATEMENT OF CASH FLOWS
 YEAR ENDED SEPTEMBER 30, 2006

	<u>General</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (584,989)
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation Expense	166,407
Change in assets and liabilities:	
Due from other funds	4,029
Inventories	314
Prepaid items	(922)
Account payables	14,477
Accrued expenses	2,616
Due to other funds	(4,029)
Net cash provided (used) by operations	\$ <u>(402,097)</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2006

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HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of Winnsboro have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the state of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of Winnsboro, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 1349	150
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the Town of Winnsboro since the Town of Winnsboro appoints a voting majority of Housing Authority's governing board. The Town of Winnsboro is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Winnsboro. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Winnsboro.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

- 1) Appointing a voting majority of an organization's governing body, and:
 - a) The ability of the government to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are classified as proprietary. The general fund accounts for the transactions of the public housing Low Rent program and the Capital Fund program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

F. INVENTORY All purchased inventory items are valued at cost using first-in, first-out method. Acquisition of materials and supplies are accounted for on the consumption method, that is, the expenses are charged when the items are consumed.

G PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

H. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$1,400. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful live is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	10-15 years
Furniture and equipment	3-7 years
Computers	3 years

I. COMPENSATED ABSENCES The Housing Authority follows policies it has adopted which are consistent with the Louisiana State Constitution and Rules and Regulations of the Civil Service Commission of the State of Louisiana. Civil Service requires that employees are eligible to be paid up to 300 hours of annual leave time upon separation. Additional hours pay is predicated on the Authority's operating reserve, determined by formula.

Sick leave hours accumulate, but the employee is not paid for these hours if they are not used by his/her retirement or termination date.

J. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

K. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2006. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: The Housing Authority investments are in Certificates of Deposits, which do not have credit ratings. However, the Housing Authority's policy does not address credit rate risk.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure the government's deposits may not be returned to it. \$100,000 of the Authority's total deposits and investments were covered by federal depository insurance, and do not have custodial credit risk. The remaining \$292,085 of deposits and investments are exposed to custodial credit risk because this balance is uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Housing Authority's name. Even though the pledge securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request.

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at September 30, 2006, are as follows:

<u>Class of Receivables</u>	<u>General</u>
Federal sources:	
Grants	\$ 2,126
Total	\$ 2,126

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	Balance 09/30/05	Additions	Deletions	Balance 09/30/06
Land	\$ 300,657	\$ 0	\$ 0	\$ 300,657
Buildings	4,914,531	289,720	0	5,204,251
Furniture and equipment	303,563	44,848	37,745	310,666
Construction in progress	11,123	0	11,123	0
Total	5,529,874	334,568	48,868	5,815,574
Less: accumulated depreciation				
Buildings	3,929,720	124,718	0	4,054,438
Furniture and equipment	211,126	41,689	30,138	222,677
Total	4,140,846	166,407	30,138	4,277,115
Fixed assets, net	\$ 1,389,028	\$ 168,161	\$ 18,730	\$ 1,538,459

NOTE 5 – RETIREMENT SYSTEM The Housing Authority participates in the Louisiana Housing Council Group Retirement Plan, administered by Broussard, Bush & Hurst, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing one month of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make monthly contributions equal to 1.5 % of his effective compensation. The participants' portion was frozen when the PHA began participating in social security. The employer is required to make monthly contributions equal to 4% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority. Normal retirement date shall be the first day of the month following the employee's 65th birthday or after 10 years of participation in the plan.

The Housing Authority made the required contributions of \$8,032 for the year ended September 30, 2006, of which \$5,592 was paid by the Housing Authority and \$2,440 was paid by employees. No payments were made out of the forfeiture account.

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

NOTE 6 – ACCOUNTS PAYABLE The payables at September 30, 2006 are as follows:

	General
Vendors	\$ 16,329
Payroll taxes & Retirement withheld	3,645
Total	\$ 19,974

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Litigation The Housing Authority is not presently involved in litigation.

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

Construction Projects There are certain renovation or construction projects in progress at September 30, 2006. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Risk Management The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

NOTE 8 – COMPENSATED ABSENCES At September 30, 2006, employees of the Housing Authority have accumulated and vested \$51,052 of employee leave computed in accordance with GASB, Codification Section C60.

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

NOTE 9 – LONG – TERM OBLIGATIONS The following is a summary of the long – term obligation transactions for the year ended September 30, 2006.

		Compensated Absences
Balance, beginning	\$	48,313
Additions		2,739
Deductions		0
Balance, ending		<u>51,052</u>
Amounts due in one year	\$	<u>7,925</u>

NOTE 10 – INTERPROGRAM TRANSFERS Interprogram transfers for the year September 30, 2006 consists of the following:

The Capital Funds program transferred \$231,976 of net capital costs on closed grants to the Low Rent program.

NOTE 11 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$641,530 to the Housing Authority, which represents approximately 59% of the Housing Authority's total revenue and capital contributions for the year.

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AUDIT QUALITY CENTER

MIKE ESTES, CPA

Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Housing Authority of Winnsboro
Winnsboro, Louisiana

We have audited the financial statements of the major funds of the Housing Authority of Winnsboro, Louisiana as of and for the year ended September 30, 2006, which collectively comprise the Housing Authority of Winnsboro, Louisiana's, basic financial statements and have issued our report thereon dated January 31, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of Winnsboro, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of Winnsboro's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, federal awarding agencies, the Louisiana Legislative Auditor, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

Mike Estes, P. C.
Fort Worth, Texas
January 31, 2007

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Report on Compliance with Requirements Applicable to Each
Major Program and Internal Control Over Compliance in
Accordance with OMB Circular A-133

Housing Authority of Winnsboro
Winnsboro, Louisiana

Compliance

We have audited the compliance of the Housing Authority of Winnsboro, Louisiana with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2006. The Housing Authority of Winnsboro, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of Winnsboro, Louisiana's Management. Our responsibility is to express an opinion on the Housing Authority of Winnsboro, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of Winnsboro, Louisiana's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of Winnsboro, Louisiana's compliance with those requirements.

In our opinion, the Housing Authority of Winnsboro, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2006.

Internal Control Over Compliance

The management of The Housing Authority of Winnsboro, Louisiana is responsible for establishing and maintaining internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of Winnsboro, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, federal awarding agencies, the Louisiana Legislative Auditor, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

Mike Estes, P.C.
Fort Worth, Texas
January 31, 2007

HOUSING AUTHORITY OF WINNSBORO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2006

FEDERAL GRANTOR PROGRAM TITLE	<u>CDFA NO.</u>	<u>PROGRAM EXPENDITURES</u>
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850	\$ <u>300,095</u>
Public Housing Capital Fund	14.872	<u>341,435</u>
Total United States Department of Housing and Urban Development		\$ <u>641,530</u>
Total Expenditures of Federal Awards		\$ <u>641,530</u>

HOUSING AUTHORITY OF WINNSBORO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2006

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of Winnsboro, Louisiana (the "Housing Authority"). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

	Federal Sources
General	\$ 300,095
Capital Fund	341,435
Total	\$ <u>641,530</u>

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

HOUSING AUTHORITY OF WINNSBORO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2006

Section I – Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards to the financial statements.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal programs are:
 - CFDA# 14.850 Public and Indian Housing – Low Rent Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was 300,000.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular No. A-133, Section .530.

HOUSING AUTHORITY OF WINNSBORO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2006

**Section II – Findings related to the financial statements which are required to be reported
in accordance with Governmental Auditing Standards generally accepted in
the United States of America:**

None

HOUSING AUTHORITY OF WINNSBORO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2006

Section III –Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510 (a):

None

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF WINNSBORO
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED SEPTEMBER 30, 2006

		2004 Capital Fund
Funds approved	\$	282,324
Funds expended		<u>282,324</u>
Excess of funds approved	\$	<u>0</u>
Funds advanced	\$	282,324
Funds expended		<u>282,324</u>
Excess of funds advanced	\$	<u>0</u>

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Costs dated September 25, 2006 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountants' report

HOUSING AUTHORITY OF WINNSBORO
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2006

CASH BASIS

		2005 Capital Fund		Bonus 2006 Capital Fund
Funds approved	\$	231,993	\$	208,993
Funds expended		<u>169,392</u>		<u>14,537</u>
Excess of funds approved	\$	<u>62,601</u>	\$	<u>194,456</u>
Funds advanced	\$	168,115	\$	13,688
Funds expended		<u>169,392</u>		<u>14,537</u>
Deficiency of funds advanced	\$	<u>(1,277)</u>	\$	<u>(849)</u>

See accountants' report

**HOUSING AUTHORITY OF WINNSBORO
FINANCIAL DATA SCHEDULE**

YEAR ENDED SEPTEMBER 30, 2006

PHA: LA109 FYED: 09/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$4,729	\$0	\$4,729
114	Cash - Tenant Security Deposits	\$14,401	\$0	\$14,401
100	Total Cash	\$19,130	\$0	\$19,130
122	Accounts Receivable - HUD Other Projects	\$0	\$2,126	\$2,126
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$0	\$2,126	\$2,126
131	Investments - Unrestricted	\$372,955	\$0	\$372,955
142	Prepaid Expenses and Other Assets	\$21,318	\$0	\$21,318
143	Inventories	\$2,777	\$0	\$2,777
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0
144	Interprogram Due From	\$2,126	\$0	\$2,126
150	Total Current Assets	\$418,306	\$2,126	\$420,432
161	Land	\$300,657	\$0	\$300,657
162	Buildings	\$4,622,587	\$12,632	\$4,635,219
163	Furniture, Equipment & Machinery - Dwellings	\$60,497	\$10,500	\$70,997
164	Furniture, Equipment & Machinery - Administration	\$192,928	\$46,741	\$239,669
165	Leasehold Improvements	\$276,489	\$292,543	\$569,032
166	Accumulated Depreciation	\$-4,246,619	\$-30,496	\$-4,277,115
160	Total Fixed Assets, Net of Accumulated Depreciation	\$1,208,539	\$331,920	\$1,538,459
180	Total Non-Current Assets	\$1,208,539	\$331,920	\$1,538,459
190	Total Assets	\$1,624,845	\$334,046	\$1,958,891

PHA: LA109 FYED: 09/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
312	Accounts Payable <= 90 Days	\$16,329	\$0	\$16,329
321	Accrued Wage/Payroll Taxes Payable	\$3,645	\$0	\$3,645
322	Accrued Compensated Absences - Current Portion	\$7,925	\$0	\$7,925
333	Accounts Payable - Other Government	\$3,358	\$0	\$3,358
341	Tenant Security Deposits	\$14,401	\$0	\$14,401
347	Interprogram Due To	\$0	\$2,126	\$2,126
310	Total Current Liabilities	\$45,658	\$2,126	\$47,784
354	Accrued Compensated Absences - Non Current	\$43,127	\$0	\$43,127
350	Total Noncurrent Liabilities	\$43,127	\$0	\$43,127
300	Total Liabilities	\$88,785	\$2,126	\$90,911
508	Total Contributed Capital	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$1,208,539	\$331,920	\$1,538,459
511	Total Reserved Fund Balance	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$329,521	\$0	\$329,521
513	Total Equity/Net Assets	\$1,538,060	\$331,920	\$1,867,980
600	Total Liabilities and Equity/Net Assets	\$1,624,845	\$334,046	\$1,958,891

**HOUSING AUTHORITY OF WINNSBORO
FINANCIAL DATA SCHEDULE**

YEAR ENDED SEPTEMBER 30, 2006

PHA: LA109 FYED: 09/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
703	Net Tenant Rental Revenue	\$305,992	\$0	\$305,992
704	Tenant Revenue - Other	\$94,674	\$0	\$94,674
705	Total Tenant Revenue	\$400,666	\$0	\$400,666
706	HUD PHA Operating Grants	\$300,095	\$44,781	\$344,876
706.1	Capital Grants	\$0	\$296,654	\$296,654
711	Investment Income - Unrestricted	\$12,995	\$0	\$12,995
715	Other Revenue	\$32,128	\$0	\$32,128
716	Gain/Loss on Sale of Fixed Assets	\$-107	\$0	\$-107
720	Investment Income - Restricted	\$0	\$0	\$0
700	Total Revenue	\$745,777	\$341,435	\$1,087,212

PHA: LA109 FYED: 09/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
911	Administrative Salaries	\$114,675	\$0	\$114,675
912	Auditing Fees	\$8,330	\$0	\$8,330
914	Compensated Absences	\$2,739	\$0	\$2,739
915	Employee Benefit Contributions - Administrative	\$26,928	\$0	\$26,928
916	Other Operating - Administrative	\$25,464	\$0	\$25,464
921	Tenant Services - Salaries	\$33,696	\$0	\$33,696
922	Relocation Costs	\$6,936	\$0	\$6,936
923	Employee Benefit Contributions - Tenant Services	\$7,912	\$0	\$7,912
924	Tenant Services - Other	\$269	\$0	\$269
931	Water	\$36,227	\$0	\$36,227
932	Electricity	\$126,180	\$0	\$126,180
933	Gas	\$79,517	\$0	\$79,517
938	Other Utilities Expense	\$29,989	\$0	\$29,989
941	Ordinary Maintenance and Operations - Labor	\$142,856	\$0	\$142,856
942	Ordinary Maintenance and Operations - Materials and Other	\$25,173	\$0	\$25,173
943	Ordinary Maintenance and Operations - Contract Costs	\$23,903	\$38,792	\$62,695
945	Employee Benefit Contributions - Ordinary Maintenance	\$33,545	\$0	\$33,545
961	Insurance Premiums	\$68,812	\$0	\$68,812
963	Payments in Lieu of Taxes	\$12,875	\$0	\$12,875
964	Bad Debt - Tenant Rents	\$2,165	\$0	\$2,165
969	Total Operating Expenses	\$808,191	\$38,792	\$846,983
970	Excess Operating Revenue over Operating Expenses	\$-62,414	\$302,643	\$240,229
972	Casualty Losses - Non-Capitalized	\$4,393	\$0	\$4,393
974	Depreciation Expense	\$144,380	\$22,027	\$166,407
900	Total Expenses	\$956,964	\$60,819	\$1,017,783
1001	Operating Transfers In	\$6	\$0	\$6
1002	Operating Transfers Out	\$0	\$-6	\$-6
1010	Total Other Financing Sources (Uses)	\$6	\$-6	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$-211,181	\$280,610	\$69,429

PHA: LA109 FYED: 09/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Public Housing Capital Fund Program	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0
1103	Beginning Equity	\$1,515,265	\$283,286	\$1,798,551
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$231,976	\$-231,976	\$0
1120	Unit Months Available	1,800	0	1,800
1121	Number of Unit Months Leased	1,800	0	1,800